

# INFORMATION LETTER

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NATIONAL CANNERS ASSOCIATION

For Members  
Only

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## WALSH-HEALEY ACT

### Application of New Law to Government Purchases of Canned Foods

Considerable interest has been evidenced in the applicability of the Walsh-Healey Government Contracts Act to sales of canned foods to agencies of the Federal Government. Regulations under this statute, which became operative September 28th, were issued by the Department of Labor on September 15th and were outlined in the INFORMATION LETTER of September 19th.

Where the law and regulations are applicable, the party entering into a Government contract must agree that all persons employed in the performance of the contract will not be required to work in excess of 8 hours daily or 40 hours weekly, and if employed in excess of these limitations, will be paid overtime rates of  $1\frac{1}{2}$  times the basic rate of pay. In addition, no male person under 16 years of age or female under 18 years of age, and no convict labor, may be employed in performance of the contract. Finally, the contractor must agree that he will pay not less than the prevailing minimum wages for the particular industry when and as determined by the Secretary of Labor. Unless and until the Secretary of Labor makes a determination for the particular industry, this last requirement is inoperative.

These labor requirements apply only to employees who are actually engaged in manufacturing or handling the particular canned foods to be used in fulfilling the Government contract. It is thus apparent, at the outset, that if the statute and regulations are deemed applicable to the purchase of canned foods by the Government, a considerable difference will exist in their effect upon contracts made by canners as distinguished from contracts made by wholesalers or distributors. Canners who are required to enter into these stipulations will be bound to comply with them with respect to all employees engaged in processing the particular merchandise sold to the Government—a rather serious burden if the products in question are seasonal. On the other hand, wholesalers and distributors who contract to sell canned foods will be bound by these stipulations only in respect to their own employees actually handling the particular merchandise. Finally, in the matter of minimum wages, it is not at all clear whether the Secretary of Labor will prescribe separate schedules for both the respective processing and distributing industries.

Current discussion revolves principally around the basic question whether the statute as a whole is applicable to canned foods. This is dependent upon the interpretation to be given to the so-called "open market clause" of the statute and to the exemption concerning "perishables." As to the former, Section 9 of the statute provides that:

"This Act shall not apply to purchases of such mate-

rials, supplies, articles, or equipment as may usually be bought in the open market;".

It was originally thought that the distinction made in this provision was between articles manufactured for the general public and sold to the Government "from the shelf," (that is, from general stocks), and articles manufactured for the Government according to its particular specifications and hence not generally available in the open market. Similarly worded exemptions in prior Federal statutes had been given this interpretation, and it was felt, particularly in the foods trade, that the Walsh-Healey bill would have a very limited application because the greater part of Government purchases of foods, including canned foods, were made in standard sizes and containers and could ordinarily be filled from general stock. In its regulations, issued September 15th, the Department of Labor refused to adopt this "shelf goods" construction and specified that the exemption applied only

"where the contracting officer is authorized by statute or otherwise to purchase in the open market without advertising for proposals."

There is little need to detail the Federal statutes dealing with the necessity for advertising bids, for generally open market purchases *without advertising* may be made only in

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## COMMISSION ISSUES COMPLAINTS

### First Action Under Robinson-Patman Law Announced by Trade Commission

Three complaints charging violations of the Robinson-Patman anti-price discrimination Act, amending Section 2 of the Clayton Act, have just been issued by the Federal Trade Commission, naming five respondents. They are the first complaints to be issued by the Federal Trade Commission under the Robinson-Patman amendments to the Clayton Act. The Commission's announcement concerning the complaints states:

One complaint, brought under Section 2 (a) of the Robinson-Patman Act, names the Kraft-Phenix Cheese Corporation, of Chicago, as respondent. In another, the Shefford Cheese Company, Inc., having its principal place of business at Syracuse, N. Y., is the respondent. This complaint also charges violation of Section 2 (a) of the Robinson-Patman Act. The third complaint names Bird & Son, Inc., the Bird Floor Covering Sales Corporation, a subsidiary of Bird & Son, Inc., both of East Walpole, Mass., and Montgomery Ward & Company, Inc., of Chicago, as respondents. In this complaint Bird & Son, Inc., and the Bird Floor Covering Sales Corporation are charged with violation of Section 2 (a) of the Robinson-Patman Act, and Montgomery Ward & Company, Inc., with violation of Section 2 (f) of that Act.

The complaint against the Kraft-Phenix Cheese Corporation charges that respondent with discriminating in price between different purchasers of its products with the effect of lessening and injuring competition between it and other manufacturers and distributors of similar products, and also with the effect of lessening competition between customers, some of whom receive favored prices.

The price discriminations are alleged to have been instituted on August 29, 1936, and are said to consist of an allowance of a specified discount for purchases in differing quantities of loaf cheese in 5-lb. boxes; of an allowance of a 5 per cent discount on all purchases amounting to \$5 or more in which one delivery is required of package cheese and salad products, and the allowance of a 5 per cent discount to all group purchasers of such products contracting for \$100 worth or more per week, where store delivery is made and only one billing is required.

It is charged that the effect of this system of alleged price discrimination is, among other things, to enable some purchasers of the respondent's products to purchase such commodities at a lower price than that at which competing purchasers can buy the same products, solely because of the variation of volume of resale trade in such products by the different purchasers. The complaint charges that the effect of the alleged system of discriminatory prices may be to substantially lessen competition in the sale and distribution of cheese between the Kraft company and other manufacturers of similar products, and also between purchasers.

No allegation is made in the complaint of bad faith or any subterfuge or secrecy on the part of the respondent in connection with its price policy.

Allegations in the complaint against the Shefford Cheese Company, Inc., are substantially the same as those in the Kraft-Phenix case, except for the differences in price allowances. One exception is that the Shefford company, in the sale of package cheese, grants an allowance of 15 per cent discount on all purchases of such products in a volume in excess of \$100 a week.

In the complaint against Bird & Son, Inc., the Bird Floor Covering Sales Corporation and Montgomery Ward & Company, Inc., the two first named respondents are charged with selling floor coverings to Montgomery Ward & Company at substantially lower prices than the same are sold to competing retailers. The complaint sets out that in the case of a certain floor rug, the article is sold to Montgomery Ward & Company in carload lots at \$3.64 each, and in smaller quantities to retail stores of the respondent Montgomery Ward & Company at \$3.82 each, whereas competing retailers are charged for the same floor coverings from \$4.24 each, in quantities of 100 rolls or more, up to \$4.85 each, in quantities of 15 rolls or less. The complaint also sets out that cheaper grades are sold at correspondingly discriminatory prices to the respondent Montgomery Ward & Company. This contract was entered into on June 10, 1936.

The complaint against Bird & Son, Inc., and Bird Floor Covering Sales Corporation, is brought under Section 2 (a) of the Robinson-Patman amendment to the Clayton Act.

The complaint against Montgomery Ward & Company, Inc., is brought under Section 2 (f) of the Robinson-Patman amendment, and alleges that the respondent, Montgomery Ward & Company, Inc., knowingly received the discrimination in price, which is unlawful under that section of the Robinson-Patman amendment to the Clayton Act.

Section 2 (a) of the Robinson-Patman Act says "that it shall be unlawful for any person engaged in commerce \* \* \* to discriminate in price between different purchasers of commodities of like grade or quality \* \* \* where the effect of such discrimination may be substantially to lessen competition \* \* \*."

Section 2 (f) of the Robinson-Patman Act, under which the complaint against Montgomery Ward & Company was issued, says "that it shall be unlawful for any person engaged in commerce \* \* \* knowingly to induce or receive a discrimination in price which is prohibited by this section."

In the respective complaints, the respondents are allowed 20 days from the date of service of the complaints in which to file their answers.

## TOMATO INSPECTION IN VIRGINIA

### State Division of Markets Establishes Inspection and Grading System

Establishment of a system of inspection and grade labeling under the jurisdiction of the Virginia State Division of Markets was announced September 1st by J. H. Meek, Director of the Division of Markets, Richmond, Va. A Virginia State trade-mark has been adopted consisting of:

- (1) The grade of the product in the can, as "Grade A—Fancy," "Grade B—Extra Standard," or "Grade C—Standard."
- (2) An outline map of the State of Virginia with the words, "Quality Certified—Virginia Division of Markets" inside the map, and with the words, "Representative samples from the lot inspected found to meet the above grades" printed below the map.

The rules and regulations contain detailed provisions regarding the sanitation of the plant, character of the raw product, procedure in canning, and the details of inspection. It is provided that to be eligible for the use of the Virginia State trade-mark the tomatoes, and the plant in which they are packed, must be under continuous inspection while the tomatoes are being packed and must comply with all requirements of the laws, rules and regulations of the United States of America and the Commonwealth of Virginia.

In the light of the inspector's report of equipment and conduct of the plant and the canning operation, and of the results obtained by the grading of samples drawn by the inspector, the grade for each block of finished goods will be determined by the Inspection Service. The system of inspection will be supported by fees which are stated in the rules and regulations promulgated. It is not expected that the service will reach large proportions this year as time will not permit providing trained inspectors for the service.

Further information regarding this service, copies of the announcement of the service and the rules and regulations may be obtained from Mr. J. H. Meek, Director of the State Division of Markets, Richmond, Va.

## Grocery Manufacturers Convention Date

The annual convention of the Associated Grocery Manufacturers of America, it is announced, will be held at the Waldorf-Astoria Hotel in New York City on November 30th, December 1st and 2nd.

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cases of emergency or where the amounts involved are less than \$500. Ordinarily the purchase of canned foods is made through advertisement and competitive bidding. Consequently, the practical effect of the Labor Department regulation is completely to change the meaning originally given to this section, and to make the law and regulations applicable to most purchases of canned foods. There is considerable discussion concerning this particular regulation and further study concerning its complete implications is being made by various trade associations in the grocery field.

Section 9 of the Walsh-Healey Act further provided that the law should not

"apply to perishables, including dairy, livestock and nursery products, or to agricultural or farm products, processed for first sale by the original producers."

As originally interpreted, this language would have exempted from the statute any sale made by a canner of canned foods processed from commodities directly grown by him. In addition, there was some suggestion that the term "perishables" might be interpreted, as in the Canning Code, to include all seasonal canned foods. In the Labor Department regulations, however, it is stated that

"'perishables' cover products subject to decay or spoilage and not products canned, salted, smoked, or otherwise preserved."

Prior to issuing this regulation, the Labor Department had not held any hearings for the investigation of the meaning commonly attributed to the term "perishables." At the present time there is considerable discussion in the trade concerning this part of the regulation and various trade associations in the food field are considering the possibility of discussing with the Department of Labor some revision of the regulation in this respect.

In any event, the Walsh-Healey Act and these regulations have only prospective application, that is, the labor stipulations apply only to future work in fulfilling the particular contract. It is understood that in interpreting its regulations the labor stipulations will apply only to work performed in fulfilling the order after September 28th. Accordingly, if any contract is filled from stocks manufactured prior to September 28th, the labor stipulations will apply only to such handling, labeling, shipping, etc., as is necessary to be performed after that date. Finally, there is some possibility that the statute as a whole will be so interpreted as to apply only to work to be performed after the awarding of the contract. For example, if next December a canner should contract with the Government for the sale of canned foods processed *prior to the date of the contract*, the labor stipulations will apply only to work which must be performed after the date of the contract and not to work already performed in the processing of the goods. Whether this interpretation will be formally accepted by the Labor Department remains to be seen.

**SOCIAL SECURITY****Registration of Employees—Court Tests—Due Dates of Taxes**

The Social Security Board in a recent press release announced that shortly after November 15th it will inaugurate

its program of registration of the 26,000,000 American workers who will be covered by the Federal old-age benefit system, which becomes effective January 1, 1937.

The old-age benefit titles of the Social Security Act establish a system of retirement benefits for qualified workers attaining the age of 65. It is a wholly Federal program in contradistinction to the unemployment compensation system, which depends upon the enactment of state legislation. To support the program Federal taxes will be levied on both employees and employers beginning January 1, 1937.

Effective administration of this gigantic undertaking requires registration of each individual employee who will be covered. Each person so registered will then be assigned an account number and permanent records will be kept by the Social Security Board. The task of registration will be conducted in cooperation with the Post Office Department.

**Constitutionality**

In addition to the litigation questioning the constitutionality of the Federal and various State unemployment compensation programs discussed in last week's INFORMATION LETTER, three additional suits of a similar nature have recently been instituted. Two of these question the validity of the Oregon Unemployment Compensation Law. The other involves the constitutionality of the Massachusetts statute.

**Due Dates of Unemployment Taxes**

The due dates of contributions under the various unemployment compensation statutes are listed in the following statement:

**FEDERAL.**—Taxes became effective January 1, 1936. First payment is due January 31, 1937. Subsequent taxes are to be paid annually or in quarterly installments.

**ALABAMA.**—Act effective January 1, 1936. First payment covering January 1 to August 31 due September 28, 1936. Contributions for September are due October 15. Subsequent payments are due monthly.

**CALIFORNIA.**—Act effective January 1, 1936. First payment covering January 1 to June 30, due July 31. Payment for July, August and September due October 31. Subsequent payments are due monthly not later than last day of succeeding month.

**DISTRICT OF COLUMBIA.**—Act effective January 1, 1936. First payment covering January was due February 15. Thereafter monthly on 15th of succeeding months.

**IDAHO.**—Contributions for year 1936 are due January 25, 1937. Subsequent contributions are due quarterly on 25th of month following the close of the quarter.

**INDIANA.**—Taxes effective April 1, 1936. First payment was due May 20. Subsequent payments due monthly on 20th of succeeding month.

**MASSACHUSETTS.**—Taxes effective January 1. First payment covering January 1 to June 30 due September 15. Payment for July, August and September due November 15. Payment for October and November due December 15. Subsequent payments are due monthly on 15th of succeeding month.

**MISSISSIPPI.**—Taxes effective April 1, 1936. First payment due July 31, 1936, for April, May and June. Subsequent payments are due quarterly on 15th of month following close of quarter.

**NEW HAMPSHIRE.**—Taxes effective January 1, 1936. Payments are due weekly not later than eighth day after close of payroll period, unless special permission to report monthly is obtained.



**NEW YORK.**—Taxes effective January 1, 1936. First payment covering January 1 to March 31 was due May 15, 1936. Subsequent payments are due monthly on 15th of succeeding month.

**OREGON.**—Taxes effective January 1, 1936. First payment covering January, February, March and April was due May 20, 1936. Subsequent payments are due monthly on 20th of succeeding month.

**RHODE ISLAND.**—Taxes effective January 1, 1936. First payment covering January 1 to September 26 is due October 31, 1936. Subsequent payments are due monthly.

**SOUTH CAROLINA.**—The time for payment has not yet been set.

**UTAH.**—The time for payment has not yet been set.

**WASHINGTON.**—The Washington statute has been declared inoperative by the Supreme Court of that State.

**WISCONSIN.**—Contributions are currently due monthly.

### Baker Chosen President of American Can Co.

H. A. Baker has been elected president of American Can Co. to succeed C. E. Green who has resigned due to ill health. Mr. Green has been president only since May when he succeeded H. W. Phelps who at that time assumed the chairmanship of the board. No successor to Mr. Baker as vice president has been selected as yet.

### British Canned Fruit Imports

Arrivals of canned fruits at British ports during the five weeks ended August 29th amounted to 727,000 cases, a decrease of about 25 per cent from the preceding five weeks, according to the Imperial Economics Committee. The decrease was due chiefly to smaller arrivals from British Empire countries. Receipts of apricots, loganberries and cherries increased, but all other varieties of fruits fell off. As compared with the corresponding five weeks in 1935 the arrivals were 9 per cent lower.

### Ask Tariff Investigation on Meats

Applications have been filed with the U. S. Tariff Commission for an investigation looking toward an increase in the import duty on fresh, chilled, frozen, prepared or preserved meats as covered in paragraph 706 of the Tariff Act of 1930. Joining in these requests are the American Farm Bureau Federation, National Grange, American National Live Stock Association, National Wool Growers' Association, National Live Stock Marketing Association, and Texas and Southwestern Cattle Raisers' Association. The present duty on meats not specially provided for as covered by paragraph 706 is 6 cents per pound but not less than 20 per cent ad valorem.

### TOMATO CROP CONDITIONS

#### Frost Causes Damage in New York and Utah—Record for Previous Years

The New York State Cannery Association reported a fairly heavy frost last Tuesday night. The damage to tomatoes varies all the way from none to a high percentage in some areas. Tomatoes have been ripening rapidly during the last two weeks and yields are turning out better than was antici-

pated earlier in the season. The highest yields reported were 6 tons to the acre. It is believed, however, that the state average will be lower than that, probably somewhere near the 5 tons which is reported by the Bureau of Agricultural Economics in its release of September 24.

The Indiana State Association reports that the packing of the late crop has been fairly heavy up until recently. Cold rainy weather during the last week has retarded ripening. Thursday and Friday were much warmer, however, which is more favorable for continued ripening. The Association has estimated a 50 to 65 per cent normal pack with two weeks more sunshine.

Utah is the only other state reporting damage from frost. Reports from Utah indicate that frost has killed about 8 to 10 per cent of the crop.

In view of the fact the size of the tomato pack this year may depend more than in previous years on the date of killing frost, the following table, which gives information on killing frosts of previous years, is presented.

Dates of Killing Frosts

Station	First in Fall of 1935	Earliest on record	Average for 50 years
Greenville, Maine.....	Oct. 3	Aug. 26	Sept. 14
Buffalo, New York.....	Oct. 7	Oct. 2	Oct. 22
Syracuse, New York.....	Oct. 7	Sept. 21	Oct. 22
Trenton, New Jersey.....	Nov. 25	Oct. 11	Oct. 24
Harrisburg, Pennsylvania....	Oct. 8	Oct. 3	Oct. 28
Washington, D. C.....	Nov. 24	Oct. 2	Oct. 23
Lynchburg, Virginia.....	Oct. 10	Oct. 2	Oct. 27
Richmond, Virginia.....	Nov. 19	Oct. 12	Nov. 2
Columbus, Ohio.....	Oct. 7	Sept. 21	Oct. 19
Indianapolis, Indiana.....	Oct. 6	Sept. 21	Oct. 20
Fort Wayne, Indiana.....	Oct. 6	Sept. 14	Oct. 13
Peoria, Illinois.....	Oct. 4	Sept. 26	Oct. 19
Grand Rapids, Michigan.....	Oct. 6	Sept. 23	Oct. 18
Madison, Wisconsin.....	Oct. 4	Sept. 16	Oct. 17
Minneapolis, Minnesota.....	Oct. 4	Sept. 13	Oct. 10
Des Moines, Iowa.....	Oct. 4	Sept. 13	Oct. 9
Springfield, Missouri.....	Nov. 5	Sept. 30	Oct. 22
Denver, Colorado.....	Oct. 22	Sept. 12	Oct. 10
Salt Lake City, Utah.....	Oct. 17	Sept. 22	Oct. 20

### Philippine Sardine Purchases

Philippine imports of sardines from the United States during August amounted to 179,000 pounds, while imports from Japan were 908,000 pounds, according to the American trade commissioner at Manila. For the eight months ended with August the United States supplied 6,030,000 pounds and Japan 6,970,000 pounds.

### Forecast of Freight Movement

Freight car loadings in the fourth quarter of 1936 are expected to be about 9.7 per cent above actual loadings in the corresponding quarter in 1935, according to estimates compiled by the Thirteen Shippers' Regional Advisory Boards and made public by the Association of American Railroads.

Loadings of canned goods, including canned food products and catsup, jams, jellies, olives, pickles, preserves, etc., it is estimated, will total 45,524 carloads during the fourth quarter of 1936 as compared with actual loadings of 43,752 cars during the corresponding quarter of the preceding year. This is an estimated increase of 4.1 per cent.

### Fruit and Vegetable Market Competition

Carlot Shipments as Reported by the Bureau of Agricultural Economics, Department of Agriculture

VEGETABLES	Week ending			Season total to	
	Sept. 26 1935	Sept. 26 1936	Sept. 19 1936	Sept. 26 1935	Sept. 26 1936
Beans, snap and lima	5	12	22	9,533	7,988
Tomatoes.....	463	1,001	813	20,680	21,861
Green peas.....	118	121	109	6,783	6,848
Spinach.....	10	19	16	5,507	7,540
Others:					
Domestic, compet-					
ing directly....	2,396	2,782	1,997	117,511	129,893
Imports, competing					
indirectly.....	17	64	52	103	139
<b>FRUITS</b>					
Citrus, domestic....	1,489	1,702	1,911	146,021	129,708
Imports.....	72	22	50	362	362
Others, domestic....	4,221	4,680	4,660	55,999	59,757

### Cuban Market for Canned Vegetables

Cuban purchases of foreign canned vegetables in 1935 were the largest since 1928, according to a review of the Cuban market by the American consul in Habana which appeared in the fortnightly foodstuffs circular of the Bureau of Foreign and Domestic Commerce. The total imports amounted to 2,175,709 kilos valued at \$321,556, of which the United States supplied 967,121 kilos valued at \$130,130.

Peas are the principal canned vegetable supplied by the United States, shipments to Cuba in 1935 amounting to 389,561 kilos valued at \$59,618. In the same year Italy supplied 199,122 kilos of canned peas valued at \$29,209.

Canned asparagus likewise comes almost entirely from the United States, the total imports in 1935 being 86,135 kilos of which the United States supplied 85,155 kilos.

While canned vegetables in general are more in demand in Cuba during months in which local fresh vegetables are not available, many of the imported vegetables are used, not to supplement such domestic supplies, but to make salads or other composite dishes.

The increase in imports in 1935 is attributed in part to increased purchasing power of Cuban consumers and in part to the reduction in import duty effected by the reciprocal trade agreement with the United States. The present Cuban duties on both canned peas and asparagus is 7.2 cents per kilo or 19 per cent ad valorem, whichever is lowest.

### READJUSTMENT OF FREIGHT RATES

#### Railroads Prepare Proposals for Submission to Interstate Commerce Commission

Proposals for adjustments in the freight rate structure, to take effect upon the expiration on December 31, 1936, of the emergency charges now in effect, have been practically completed by special committees representing the railroads, according to an announcement by the Association of American Railroads.

These proposals, which will be submitted to the Interstate Commerce Commission and the various State Commissions, are stated to represent an attempt on the part of the

railroads to work out such adjustments, through increases and reductions, as will partially offset the decrease in revenues which otherwise will take place when the present charges expire at the end of the year.

As part of the general adjustment the railroads contemplate making practically uniform for the entire country the classification of all articles now moving on first, second, and third class rates in less than carload lots in each of the three major traffic territories, Official, Western and Southern. This result is to be accomplished in practically all instances by making the ratings in all territories the same as the lowest classification now in effect in any territory.

No general increases in the class rates will be proposed, it is stated, except that in Official territory and between Official territory and Western territory where the rates are governed by the Official classifications the following changes are to be suggested: Fifth class to be revised from 35 per cent to 37½ per cent of first class; sixth class to be revised from 27½ per cent to 30 per cent of first class. The proposal on coal will follow in general the rates now in effect.

The railroads will ask that the proposed readjustments be made effective by January 1, 1937, to avoid losses of much needed revenue which otherwise would result from the expiration of the emergency charges allowed in Ex-Parte 115.

### EMPLOYMENT AND PRICES

#### Indexes Reveal Good Record on Labor for the Canning Industry

In recent months the INFORMATION LETTER has reproduced indexes of employment, payrolls, and wholesale prices derived from published reports of the Bureau of Labor Statistics, because these indexes are significant of the activity in all industry, the extent to which the canning industry is providing employment, and the trend of food prices as compared with prices of all commodities. All these indexes combined are significant in giving some measure of the demand for canned foods as it is determined by earnings and employment.

The following indexes are the latest now available. For employment and payrolls they are based on the average for 1923-25 as 100 per cent, while for wholesale prices 1926 is taken as 100 per cent.

	Employment			Payrolls		
	Aug. 1936	July 1936	Aug. 1935	Aug. 1936	July 1936	Aug. 1935
All industries....	88.7	86.8	82.0	81.0	77.8	69.1
Canning.....	183.1	125.8	195.7	222.5	135.0	230.1

	Wholesale Prices				
	Sept. 19 1936	Sept. 12 1936	Sept. 5 1936	Sept. 29 1936	Sept. 21 1935
All commodities....	81.4	81.5	80.9	81.2	81.0
All foods.....	83.1	83.5	82.2	82.5	86.2

The above indexes of employment and payrolls indicate about a 2 per cent increase in employment in all industries from July to August, which for canned foods means an increase in demand. The canning industry's employment index for August was 183.1 per cent of the 1923-25 level. This was only about 12½ per cent under the level of employment in August, 1935, when the largest pack on record was being made.

For those who are interested in the contribution which the canning industry is making toward improvement in wages, it is important to compare the index of payrolls with the index of employment. Payrolls in the canning industry have increased a great deal more than employment. In August, 1935, when employment was 195.7 per cent of the 1923-25 average, payrolls were 230.1 per cent of that average, or in other words, payrolls had advanced 34.4 per cent more than employment, which means, of course, that wages in the canning industry last year were considerably above those of the base period. In August, 1936, payrolls at 222.5 were 39.4 per cent above the increase in employment. That is to say, wages for the canning industry in 1936 have shown a material increase over the high level of 1935.

If one were interested in drawing a comparison between the canning industry and "all industries", he would see that whereas the canning industry has shown a decided increase in employment, payrolls, and wages when compared with the base period, "all industries" taken as a group are still considerably behind the base period in employment and payrolls, and since the level of payrolls is lagging behind the employment index, it indicates that wages in those industries have declined from the level of 1923-25.

### Consumer Education in England

That English women are not so "consumer conscious" as their American sisters but are becoming more so each year, is the impression brought back by Miss Atwater of the Association's Home Economics Division who recently spent a short vacation in England. Tradition is so strong in England that new ideas and new methods of homemaking are less rapidly accepted there than in the United States. This is partly due, no doubt, to the fact that women are less well organized there than in our own country.

Politically, women are well organized and are very alert. Most of the women's organizations are of a political, artistic, or scientific order, and the average small town and village does not abound in the type of women's organizations that are so much a part of the life of the American homemaker.

It is true that there is a national council of women that is nation wide, but it does not seem to be as closely knit as the Federated Clubs of the United States.

The Women's Institutes are doing a very constructive job in helping women with their homemaking. This organization roughly corresponds to our Federal and State Extension Service.

The home service departments of the gas and electric companies are doing very much the same kind of work for their clientele as similar departments here.

Opportunity for educating the consumer in the use of canned foods is very great, and one organization in the canning industry is doing a job quite similar to the educational work for homemakers conducted by the National Canners Association. They are making real progress in overcoming prejudice against the use of food in cans and through their exhibits, distribution of literature, radio broadcasting, and demonstrations have succeeded in interesting large groups of women in canned foods and in the canning industry.

Individual firms with brands to develop are also doing constructive advertising which promotes the use of canned foods.

The director of one of the utility companies has used all the material for homemakers published by the National Canners Association in her work with canned foods, and has placed a file in the hands of each of her 42 assistants. Some of the training schools for home economists and dietitians are also using this material, and the advertising directors of several companies in England expressed appreciation of the publications for homemakers sent to them by the Home Economics Division. They report that they have used a number of recipes from N. C. A. publications, adapted, of course, to the needs of the British homemaker.

### Regional Rural Retail Sales

The new group of indexes recently constructed by the Bureau of Foreign and Domestic Commerce and representing sales of general merchandise in small towns and rural areas for four major geographical regions of the country, indicate that daily average sales for August, as compared with August, 1935, showed a larger increase in the East than in other parts of the country. The figures are based on the dollar value of rural chain store and mail order sales, using the monthly average for 1929-31 as 100.

Sales in the East were 26 per cent above August, 1935, as compared with an increase of more than 20 per cent for the country as a whole. The smallest increase, about 17 per cent, was recorded in the Middle West.

Sales for August, as compared with July, were relatively higher in the East than in the other regions, with an increase of 14½ per cent, and lower in the Far West and in the South, with increases of 5 per cent each. In the Middle West sales were 9 per cent higher than in July. The increase in the East was somewhat more than the usual gain for that region at this season of the year, while the gains in the other three regions were below their usual respective amounts.

Total sales for the first eight months of the year, as compared with the corresponding period of 1935, were highest in the Far West where a gain of 19½ per cent was recorded and were lowest in the Middle West, which showed an increase of 9½ per cent. Comparing these periods for the country as a whole, an increase of 13 per cent was shown.

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